

HOUSE BILL 1722

By Russell

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 34; Title 8, Chapter 35; Title 8, Chapter 36 and Title 8, Chapter 37, relative to change of beneficiary after retirement.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-36-606, is amended by deleting the section and substituting instead the following:

(a) The election of a designated beneficiary under an optional retirement plan must not be changed or revoked by the member after the member's retirement date, except as provided in this section.

(b) Subject to subsection (c), a retired member may cancel the selected designation of beneficiary upon the written request of the member. A retired member cannot change a beneficiary under this subsection (b) after retirement if the retiree has previously changed or designated after retirement a beneficiary for optional retirement benefit payments under this subsection (b).

(c) If the designated beneficiary is the spouse or former spouse of the member, a retired member may cancel the selected designation of beneficiary upon the written request of the member and proper documentation, which must include the final decree and marital dissolution agreement of the parties. The cancellation must not be in conflict with the decree or marital dissolution agreement.

(d) A retired member may change the designated beneficiary upon the death of the beneficiary. The newly elected beneficiary is only entitled to any remaining accumulated contributions upon the death of the member.

(e) The retirement allowance payable to the retired member after the cancellation of the designated beneficiary pursuant to this section is not affected by the cancellation.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.